Presentation No. Nineteen

HIGH SPEED CIGARETTE PACKAGING

Dr. Carlo Rossi

G.D

Available: Transcript - Yes
Pre-conference excerpt - No

Dr. Rossi began his talk by drawing a comparison between the U.S. auto industry and the U.S cigarette industry. Both have faced recent problems emanating from world recession, increased international trade, and technological breakthroughs. In addition the cigarette industry has been challenged by new taxes and a vicious anti-smoking campaign. After a short period of crisis, Detroit's reaction was implementation of drastic cost cutting measures, the development of marketing strategies that would improve the image (quality consciousness) of their product, and the recognition of changing market demands. In his opinion, the rosy years of ever increasing sales are over; this would seem correct in light of the leveling off of and even slight reduction in the cigarette industry in very recent times. Regarding overall production costs, the packaging machinery offers the best opportunity. For example, materials costs ratios were stated as: primary 0.4%, plug making 22%, cigarette making 23%, packaging 55%.

Some of his proposals:

1) Raise the speed of the production lines while holding the level of personnel the same or reducing; not increasing, or even reducing the machinery floor spare required.

2) Assemble completely integrated and synchronized machine lines, with generous self diagnostic micro processor use, modular construction and effective preventive maintenance programs.

3) Increase line efficiency - assumedly from the above.

4) Reduce the number of rejects - while at the same time improving quality?

5) He speaks of reducing tobacco costs by the use of recycled or specially processed tobacco (already done - has the limit been reached?) He recognizes potential problems for makers and packers with the production of lighter cigarettes but is not specific about solutions.

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6) He proposes packaging materials cost reduction by the use of lighter, less expensive products, but again is not specific about how this can be done without affecting quality or efficiency. There undoubtedly are new products on the horizon and a close watch for new materials is always warranted. He believes the integrated production line of the eighties must be designed for 8000 cpm and packer speeds of 400-450 ppm. Each downstream component must have a 5-10% advantage. Efficiencies of the various components must be optimized by automating semi-automatic or manual operations. One advantage of the integrated line is stated as team responsibility for efficiency and the quality of the final product. Cigarette detectors must be of the no contact type to avoid the possibility of damage to the product. Packages must be perfectly formed of cheaper materials and must protect the integrity of the product. The increasing potential of market demands for different package designs and for different numbers of cigarettes, anywhere from ten to twenty-five per pack, will require more cooperation between cigarette manufactures and machine suppliers. Also, machine suppliers must offer flexible, quick and easy size changing of equipment. Dr. Rossi's conclusion: packaging lines of the eighties must be technologically advanced, of high efficiency levels supporting high quality standards. They must be extremely flexible and capable of producing varying market demands.

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